

**AMENDMENT 1 TO
DEVELOPER'S PUBLIC REPORT
FOR A CONDOMINIUM**

CONDOMINIUM PROJECT NAME:	66-419 PAALAA ROAD
PROJECT ADDRESS:	66-419 A and 66-419 B Paalaa Road Haleiwa, Hawaii 96712
REGISTRATION NUMBER:	6216 (Partial Conversion)
EFFECTIVE DATE OF REPORT:	September 16, 2011
THIS AMENDMENT:	<input checked="" type="checkbox"/> Must be read together with <input checked="" type="checkbox"/> Developer's Public Report dated <u>April 3, 2007</u> <input type="checkbox"/> Amended Report dated _____ <input type="checkbox"/> Supersedes all prior amendments: Includes all prior amendment(s) and <u>must</u> be read together with <input type="checkbox"/> Developer's Public Report dated _____ <input type="checkbox"/> Amended Report dated _____
DEVELOPER(S):	ANTONIO J. DEFREITAS and RHONDA L. DEFREITAS

Preparation of this Amendment

The Developer prepared this amendment pursuant to the Condominium Property Act, Section 514B-56, Hawaii Revised Statutes (HRS), as amended from time to time. Section 514B-56, HRS, requires that after the Commission has issued an effective date for the Developer's Public Report, if there are any changes, either material or pertinent changes, or both, regarding the information contained in or omitted from the Developer's Public Report, or if the developer desires to update or change the information set forth in the Developer's Public Report, the developer shall immediately submit to the Commission an amendment to the Developer's Public Report or an amended Developer's Public Report clearly reflecting the change, together with such supporting information as may be required by the Commission, to update the information contained in the Developer's Public Report.

The law defines "material change" as used in parts IV and V of Chapter 514B, HRS means any change that directly, substantially, and adversely affects the use or value of (1) A purchaser's unit or appurtenant limited common elements; or (2) Those amenities of the project available for the purchaser's use.

The law defines "pertinent change" to mean, as determined by the commission, a change not previously disclosed in the most recent public report that renders the information contained in the public report or in any disclosure statement inaccurate, including, but not limited to (1) The size, construction materials, location, or permitted use of a unit or its appurtenant limited common element; (2) The size, use, location, or construction materials of the common elements of the project; or (3) The common interest appurtenant to the unit. A pertinent change does not necessarily constitute a material change.

The filing of an amendment to the Developer's Public Report or an amended Developer's Public Report, in and of itself, shall not be grounds for a purchaser to cancel or rescind a sales contract. A purchaser's right to cancel or rescind a sales contract shall be governed by sections 514B-86 and 514B-87, HRS, the terms and conditions of the purchaser's contract for sale, and applicable common law.

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This Amendment has not been prepared or issued by the Real Estate Commission or any other governmental agency. The issuance by the Commission of an effective date for this amendment to the Developer's Public Report (1) does not mean that the Commission approves or disapproves of the project; (2) does not mean that the Commission thinks that either all material facts, material changes, or pertinent changes about the project have been fully or adequately disclosed; and (3) is not the Commission's judgment of the value or merits of the project.

The law defines "material facts" to mean any fact, defect, or condition, past or present that to a reasonable person, would be expected to measurably affect the value of the project, unit, or property being offered or proposed to be offered for sale.

This amendment may be used by the Developer for promotional purposes only if it is used with the last Developer's Public Report in its entirety.

Prospective purchasers and purchasers are encouraged to read this amendment carefully and to seek professional advice.

Summary of Changes from Earlier Developer's Public Report are Described Beginning on the Next Page

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Summary of Changes from Earlier Developer's Public Report:

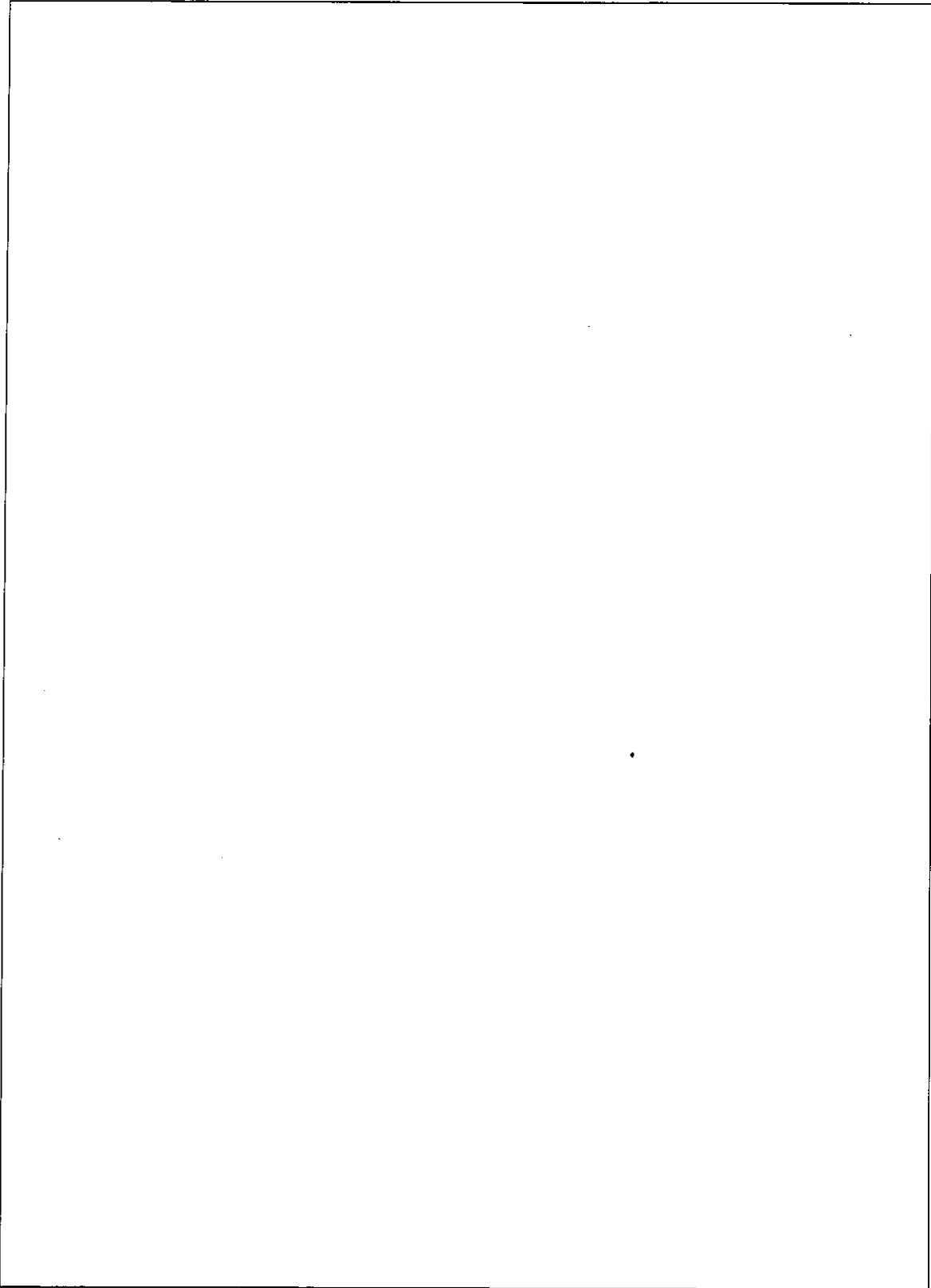
This summary contains a general description of the changes, if any, made by the developer since the last Developer's Public Report was issued an effective date. It is not necessarily all inclusive. Prospective purchasers and purchasers must read this amendment together with the last Developer's Public Report with the effective date as noted on the top of page 1 if they wish to know the specific changes that have been made.

Changes made are as follows (include a description of what the change is and page number and or exhibit alphabet or number; additional pages may be used):

1. The Project's Declaration and Condominium Map were amended to change a portion of the Land from being designated a Common Element to being designated a Limited Common Element. See revised page 10 and Exhibits D and E.
2. Developer has obtained an updated title report covering the Project which reflects the removal of a blanket mortgage. See revised pages 5 and 13 and Exhibit G.

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Changes continued:



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The Developer declares subject to the penalties set forth in Section 514B-69, HRS that this project continues to conform to the existing underlying county zoning for the project, zoning and building ordinances and codes and all applicable permitting requirements adopted by the county in which the project is located, all in accordance with Sections 514B-5 and 32(a) (13), HRS.

For any conversion, if any variances have been granted, they are specified in Section 1.14 of this report as amended, and, if purchaser deposits are to be used by the Developer to cure any violations of zoning, permitting requirements or rules of the county in which the project is located, the violation is specified in Section 1.15 of this report as amended, along with the requirements to cure any violation, and Section 5.5 specifies the date by which the cure will be completed.

The Developer hereby certifies that all the information contained in this report as amended and the exhibits attached to this report (if any) as amended and all documents to be furnished by the Developer to purchasers concerning the project have been reviewed by the Developer and are, to the best of the Developer's knowledge, information and belief, true, correct and complete. The Developer hereby agrees promptly to amend this report as amended to report and include either or all material facts, material or pertinent changes to any information contained in or omitted from this report and to file annually a report to update the material contained in this report as amended at least 30 days prior to the anniversary date of the effective date of this report.

ANTONIO J. DEFREITAS and RHONDA L. DEFREITAS

Printed Name of Developer

Rhonda L. Defreitas

Duly Authorized Signatory*

Aug 30/11
Date

RHONDA L. DEFREITAS

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

Planning Department, City and County of Honolulu

***Must be signed for a corporation by an officer; for a partnership or limited liability partnership (LLP) by the general partner; for a limited liability company (LLC) by the manager or an authorized member; and for an individual by the individual.**

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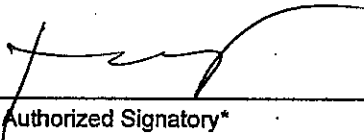
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ANTONIO J. DEFREITAS and RHONDA L. DEFREITAS

Printed Name of Developer


Duly Authorized Signatory*

8/30/2011
Date

ANTONIO J. DEFREITAS

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, City and County of Honolulu

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1.9 Common Elements

Common Elements: Common elements are those parts of the condominium project other than the individual units and any other real estate for the benefit of unit owners. Although the common elements are owned jointly by all unit owners, those portions of the common elements that are designated as limited common elements (see Section 1.10 below) may be used only by those units to which they are assigned. In addition to the common facilities described in Section 1.8 above, the common elements for this project, as described in the Declaration, are set forth below.

Described in Exhibit D .

Described as follows:

Common Element	Number
Elevators	0
Stairways	0
Trash Chutes	0

1.10 Limited Common Elements

Limited Common Elements: A limited common element is a portion of the common elements that is reserved for the exclusive use of one or more but fewer than all units in the project.

Described in Exhibit E .

Described as follows:

1.11 Special Use Restrictions

The Declaration and Bylaws may contain restrictions on the use and occupancy of the units. Restrictions for this project include, but are not limited to, those described below.

<input type="checkbox"/>	Pets:
<input type="checkbox"/>	Number of Occupants:
<input checked="" type="checkbox"/>	Other: See Exhibit F
<input type="checkbox"/>	There are no special use restrictions.

1.12 Encumbrances Against Title

An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of a unit in the project. Encumbrances shown may include blanket liens which will be released prior to conveyance of a unit (see Section 5.3 on Blanket Liens).

Exhibit G describes the encumbrances against title contained in the title report described below.

Date of the title report: August 16, 2011

Company that issued the title report: Hawaii Escrow & Title, Inc.

3. CREATION OF THE CONDOMINIUM AND CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances (Regular System) or filing in the Office of the Assistant Registrar of the Land Court, or both, a Declaration of Condominium Property Regime, a Condominium Map and the Bylaws of the Association of Unit Owners. The Condominium Property Act (Chapter 514B, HRS), the Declaration, Bylaws and House Rules control the rights and obligations of the unit owners with respect to the project and the common elements, to each other, and to their respective units.

3.1 Declaration of Condominium Property Regime

The Declaration of Condominium Property Regime contains a description of the land, buildings, units, common interests, common elements, limited common elements, and other information relating to the condominium project.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	September 12, 2006	2006-181855

Amendments to Declaration of Condominium Property Regime

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	December 19, 2006	2006-233029
Bureau of Conveyances	February 26, 2007	2007-035085
Bureau of Conveyances	September 1, 2011	2011-140411

3.2 Bylaws of the Association of Unit Owners

The Bylaws of the Association of Unit Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Unit Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters that affect how the condominium project will be governed.

Land Court or Bureau of Conveyances	Date of Document	Document Number
Bureau of Conveyances	September 12, 2006	2006-181856

Amendments to Bylaws of the Association of Unit Owners

Land Court or Bureau of Conveyances	Date of Document	Document Number

3.3 Condominium Map

The Condominium Map contains a site plan and floor plans, elevations and layout of the condominium project. It also shows the floor plan, unit number and dimensions of each unit.

Land Court Map Number	
Bureau of Conveyances Map Number	4315
Dates of Recordation of Amendments to the Condominium Map: December 19, 2006, and September 1, 2011	

5. SALES DOCUMENTS

5.1 Sales Documents Filed with the Real Estate Commission

<input checked="" type="checkbox"/>	Specimen Sales Contract Exhibit <u> 1 </u> contains a summary of the pertinent provisions of the sales contract. Including but not limited to any rights reserved by the Developer.
<input checked="" type="checkbox"/>	Escrow Agreement dated: September 12, 2006 Name of Escrow Company: Hawaii Escrow & Title, Inc. Exhibit <u> J </u> contains a summary of the pertinent provisions of the escrow agreement.
<input type="checkbox"/>	Other:

5.2 Sales to Owner-Occupants

If this project contains three or more residential units, the Developer shall designate at least fifty percent (50%) of the units for sale to Owner-Occupants.

<input type="checkbox"/>	The sales of units in this project are subject to the Owner-Occupant requirements of Chapter 514B.
<input type="checkbox"/>	Developer has designated the units for sale to Owner-Occupants in this report. See Exhibit <u> </u> .
<input type="checkbox"/>	Developer has or will designate the units for sale to Owner-Occupants by publication.

5.3 Blanket Liens

Blanket Liens: A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project or more than one unit that secures some type of monetary debt (such as a loan) or other obligation. Blanket liens (except for improvement district or utility assessments) must be released as to a unit before the developer conveys the unit to a purchaser. The purchaser's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the unit to the purchaser.

<input checked="" type="checkbox"/>	There are <u>no blanket liens</u> affecting title to the individual units.
<input type="checkbox"/>	There are <u>blanket liens</u> that may affect title to the individual units.

<u>Type of Lien</u>	Effect on Purchaser's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance

5.4 Construction Warranties

Construction Warranties: Warranties for individual units and the common elements, including the beginning and ending dates for each warranty (or the method of calculating them), are as set forth below:

Building and Other Improvements:

No warranty, "as is".

Appliances:

None

EXHIBIT D
Common Elements

Paragraph 4 of the Declaration, as amended, states:

“One freehold estate is hereby also designated in all the portions of the Project other than the Units. Such are referred to herein as “common elements”. The common elements include, but are not limited to:

- 4.1 The Land in fee simple;
- 4.2 Any pipes, wires, ducts, conduits or other utility or service lines, drainage ditches or appurtenant drainage structures and retaining walls (if any), which are located outside the Units and which are utilized for or serve more than one Unit.”

END OF EXHIBIT “D”

EXHIBIT "E"
Limited Common Elements

Paragraph 5 of the Declaration, as amended, states:

"5.1 Certain parts of the common elements, herein called the "Limited Common Elements", are hereby designated and set aside for the exclusive use of certain of the Units, and each Unit shall have appurtenant thereto exclusive easements for the use of all such limited common elements set aside and reserved for such Unit's exclusive use.

Unless otherwise specified, all costs of every kind pertaining to each limited common element, including, but not limited to, costs of landscaping, maintenance, repair, replacement and improvement, shall be borne by the Owner of the Unit to which such limited common element is appurtenant.

5.2 The limited common elements so set aside and reserved for the exclusive use of Unit 66-419-A are as follows:

- (a) The site on which Unit 66-419-A is located, consisting of the land area beneath and immediately adjacent to Unit 66-419-A, as shown and delineated on the Condominium Map as 3898 square feet (including the airspace above such site) is for the exclusive benefit of Unit 66-419-A (which may be referred to as "Dwelling Area 66-419-A "); and
- (b) A mailbox designated by Declarant for the use of Unit 66-419-A.

5.3 The limited common elements so set aside and reserved for the exclusive use of Unit 66-419-B are as follows:

- (a) The site on which Unit 66-419-B is located, consisting of the land beneath and immediately adjacent to Unit 66-419-B, as shown and delineated on the Amended Site Map as 6,867 square feet (including the airspace above such site) is for the exclusive benefit of Unit 66-419-B (which may be referred to as Dwelling Area 66-419-B); and
- (b) A mailbox designated by Declarant for the use of Unit 66-419-B.

5.4 Any other common element of the Project which is rationally related to fewer than all the Units shall be deemed a limited common element appurtenant to and for the exclusive use of such Unit to which it is rationally related."

Note: The "Dwelling Areas" herein described are not legally subdivided lots.

END OF EXHIBIT "E"

EXHIBIT "G"
Encumbrances Against Title

1. TITLE TO ALL MINERALS AND METALLIC MINES RESERVED TO THE STATE OF HAWAII.
2. AN EASEMENT IN FAVOR OF HAWAIIAN ELECTRIC COMPANY, INC., A HAWAII CORPORATION, AND HAWAIIAN TELEPHONE COMPANY, A HAWAII CORPORATION AND NOW KNOWN AS HAWAIIAN TELCOM, INC., A HAWAII CORPORATION, FOR UTILITY PURPOSES, DATED NOVEMBER 8, 1957, RECORDED NOVEMBER 21, 1957 IN LIBER 3348, PAGE 63.
3. MATTERS AS SHOWN ON CONDOMINIUM MAP NO. 4315, FILED IN THE BUREAU OF CONVEYANCES.
4. COVENANTS, CONDITIONS, RESTRICTIONS, RESERVATIONS, AGREEMENTS, OBLIGATIONS, PROVISIONS AND EASEMENTS, BUT OMITTING ANY COVENANTS OR RESTRICTIONS IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN UNLESS AND ONLY TO THE EXTENT THAT SAID COVENANT (A) IS EXEMPT UNDER CHAPTER 42, SECTION 3607 OF THE UNITED STATES CODE OR (B) RELATES TO HANDICAP BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PERSONS, AS SET FORTH IN THE DECLARATION OF CONDOMINIUM PROPERTY REGIME, DATED SEPTEMBER 12, 2006, RECORDED OCTOBER 4, 2006 AS DOCUMENT NO. 2006-181855.

SAID DECLARATION WAS AMENDED BY THE FOLLOWING INSTRUMENTS:

<u>DATED</u>	<u>RECORDED/FILED</u>	<u>DOCUMENT NO.</u>
DECEMBER 19, 2006	DECEMBER 19, 2006	2006-233029
FEBRUARY 26, 2007	FEBRUARY 26, 2007	2007-035085

5. BY-LAWS OF THE ASSOCIATION OF UNIT OWNERS OF "66-419 PAALAA ROAD", DATED SEPTEMBER 12, 2006, RECORDED OCTOBER 4, 2006 AS DOCUMENT NO. 2006-181856.
6. ANY AND ALL EASEMENTS ENCUMBERING THE APARTMENT HEREIN MENTIONED, AND/OR THE COMMON INTEREST APPURTENANT THERETO, AS CREATED BY OR MENTIONED IN SAID DECLARATION, AS AMENDED, AND/OR IN SAID APARTMENT DEED, AND/OR AS DELINEATED ON SAID CONDOMINIUM MAP.
7. AS TO UNIT 66-419-B ONLY:
 - A. MORTGAGE DATED FEBRUARY 1, 2008, RECORDED AS DOCUMENT NO. 2008-018340
 - B. MORTGAGE DATED SEPTEMBER 10, 2008, RECORDED AS DOCUMENT NO. 2008-145130.

END OF EXHIBIT "G"